

## ECONOMIC DEVELOPMENT REGION 6E: Southwest Central

*Covers counties:*

Kandiyohi, McLeod, Meeker, and Renville

# 2015 REGIONAL PROFILE

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## DEMOGRAPHICS

### POPULATION CHANGE, 2000-2014

Economic Development Region 6E – Southwest Central includes a total of 4 counties, located in the Central Minnesota planning region. Region 6E was home to 116,299 people in 2014, comprising 2.1 percent of the state's total population. The region saw a 0.3 percent population increase since 2000, making it the tenth fastest growing of the 13 economic development regions (EDRs) in the state, and it is still the fourth smallest in total population. In comparison, the state of Minnesota saw a 10.9 percent gain from 2000 to 2014 (see Table 1).

	2000 Population	2014 Estimates	2000-2014 Change	
			Number	Percent
<b>Region 6E</b>	<b>115,899</b>	<b>116,299</b>	<b>+400</b>	<b>+0.3%</b>
Kandiyohi Co.	41,203	42,285	+1,082	+2.6%
McLeod Co.	34,898	35,882	+984	+2.8%
Meeker Co.	22,644	23,107	+463	+2.0%
Renville Co.	17,154	15,025	-2,129	-12.4%
<b>Minnesota</b>	<b>4,919,479</b>	<b>5,457,173</b>	<b>+537,694</b>	<b>+10.9%</b>

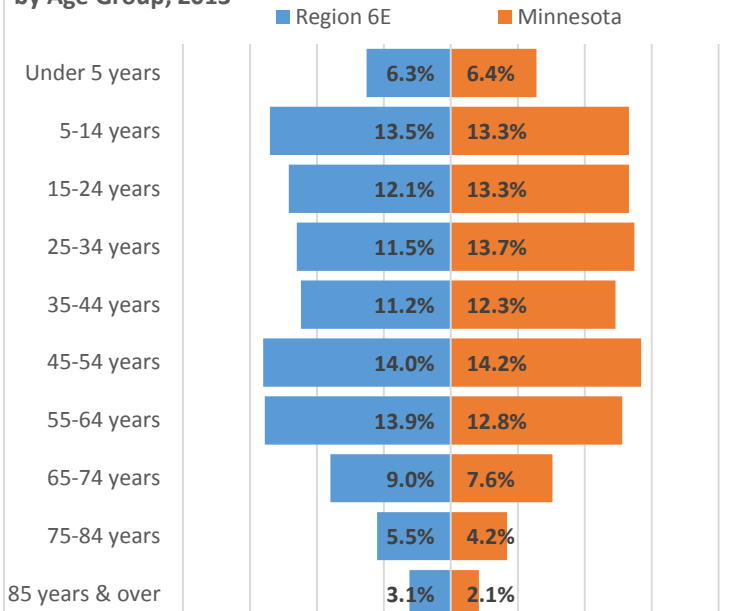
Source: [U.S. Census Bureau, Population Estimates](#)

Three of the 4 counties in the region saw population gains since 2000, led by Kandiyohi County, which welcomed 1,082 people and is the largest county in the region. McLeod County also gained about 1,000 residents from 2000 to 2014, while Meeker County added 463 people. Renville was the smallest county in the region, and it lost 2,129 people, making it the sixth fastest declining county in the state.

### POPULATION BY AGE GROUP, 2000-2013

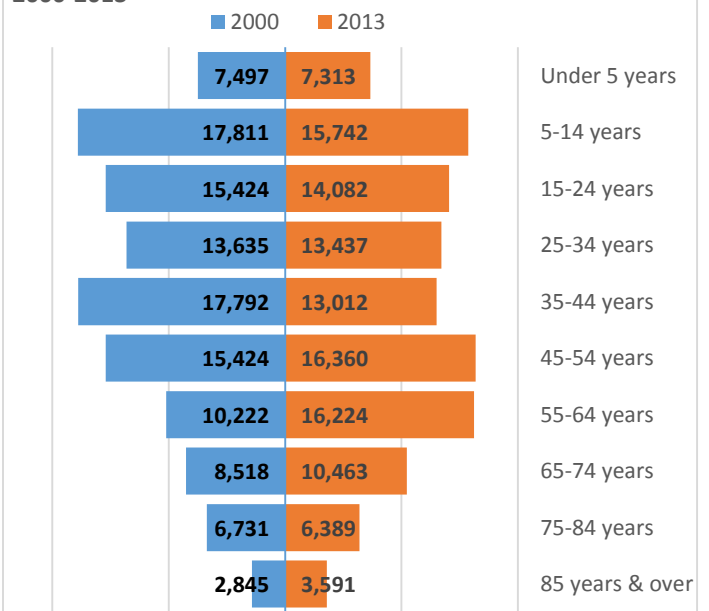
Region 6E's population is older than the state's, with 17.6 percent of the population aged 65 years and over in 2013, compared to 13.9 percent statewide. Region 6E also had a higher percentage of people in the 45 to 64 year old age group, with 27.9 percent of the population in the Baby Boom generation – people born between 1946 and 1964, which is creating a significant shift in the population over time. In contrast, Region 6E had a much smaller percentage of people in the 25 to 54 year old age group, typically considered the "prime working years." While the number of younger residents was declining, the number of residents aged 45 years and over was rapidly increasing (see Figure 1 and Figure 2).

**Figure 1. Percentage of Population by Age Group, 2013**



Source: U.S. Census Bureau, American Community Survey

**Figure 2. Region 6E Population Pyramid, 2000-2013**



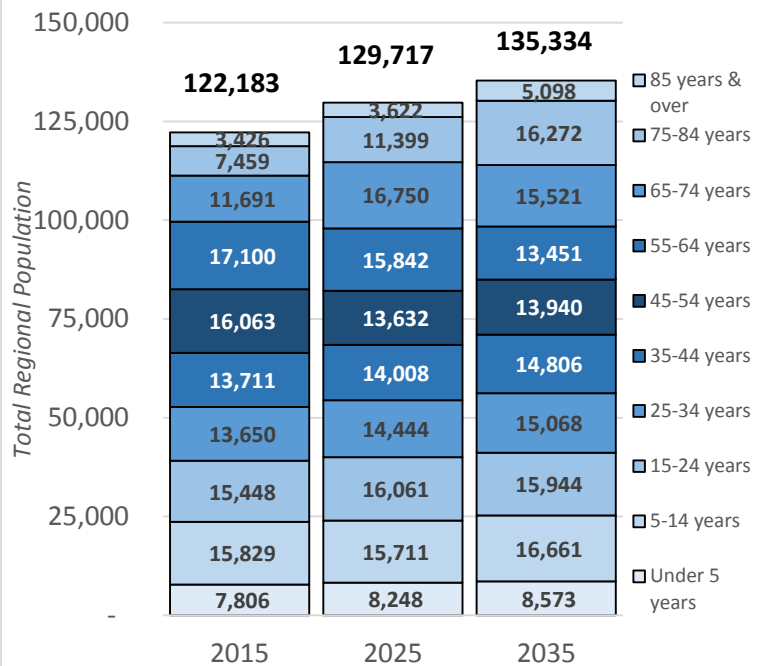
Source: U.S. Census Bureau, American Community Survey

### POPULATION PROJECTIONS BY AGE GROUP, 2015-2035

Region 6E is projected to enjoy continued population growth in the next 20 years as well. According to population projections from the [Minnesota State Demographic Center](#), Region 6E is expected to gain about 13,000 net new residents from 2015 to 2035, a 10.8 percent increase (see Figure 3). However, the 2015 estimate is starting higher than current 2014 estimates. The state of Minnesota is also projected to grow 10.8 percent.

However, much of this population growth is expected to be in the older age groups. Region 6E is projected to add 14,315 people aged 65 years and over, a 63.4 percent increase. The region is also expected to gain about 2,500 people in the 25- to 44-year-old age group, as well as a corresponding increase of about 2,100 more school-aged children and young adults. In contrast, Region 6E is expected to lose almost 6,000 people from 45 to 64 years of age – as the current Baby Boom generation moves through the population pyramid.

Figure 3. Region 6E Population Projections by Age Group, 2015-2035



Source: Minnesota State Demographic Center

### POPULATION BY RACE, 2013

Region 6E's population is less diverse than the state's, but is becoming more diverse over time. In 2013, 94.9 percent of the region's residents reported White alone as their race, compared to 85.6 percent of residents statewide. Less than 1.0 percent of the region's residents reported being American Indian or Alaska Natives and Asian or Other Pacific Islanders, while just over 1 percent reported being Black or African American, Two or More Races, or of Some Other Race. However, at 7.2 percent, Region 6E had a higher percentage of residents of Hispanic or Latino origin than the state (see Table 2).

The region saw a small gain in the number of White residents and Asian or Other Pacific Islanders, then saw much faster increases in every other race group. The number of Black or African American residents quadrupled, people of Two or More Races jumped almost 75 percent, and American Indians and people of Hispanic or Latino origin both grew about 40 percent from 2000 to 2013.

Table 2. Race and Hispanic Origin, 2013	Region 6E			Minnesota	
	Number	Percent	Change from 2000-2013	Percent	Change from 2000-2013
<b>Total</b>	<b>117,282</b>	<b>100.0%</b>	<b>+1.2%</b>	<b>100.0%</b>	<b>+8.7%</b>
White	111,320	94.9%	+0.5%	85.6%	+4.0%
Black or African American	1,432	1.2%	+322.4%	5.2%	+63.0%
American Indian & Alaska Native	454	0.4%	+38.0%	1.1%	+4.6%
Asian & Other Pac. Islander	569	0.5%	+7.2%	4.2%	+56.9%
Some Other Race	2,095	1.8%	-33.1%	1.4%	+17.4%
Two or More Races	1,412	1.2%	+73.9%	2.5%	+59.6%
Hispanic or Latino	8,406	7.2%	+41.8%	4.8%	+79.3%

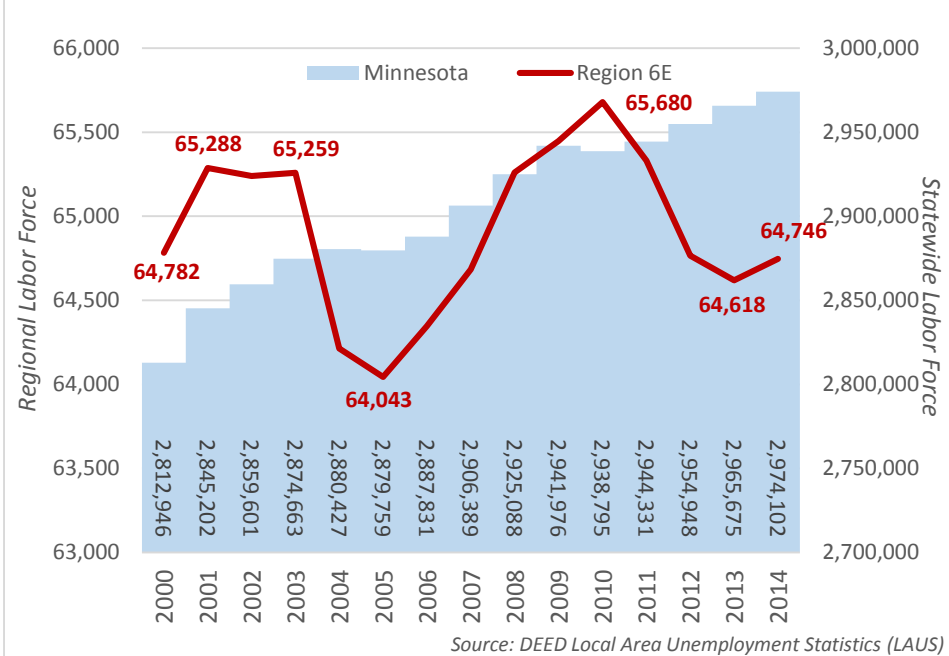
Source: U.S. Census Bureau, American Community Survey

## LABOR FORCE

### LABOR FORCE CHANGE, 2000-2014

According to data from DEED's [Local Area Unemployment Statistics](#) program, Region 6E has experienced substantial fluctuations in the size of the available labor force over the last 14 years in response to changing economic conditions. During the recessions in both 2001 and 2007, workers flooded into the labor market to earn extra income; leading to a record number of available workers in the region in 2010. Since then, Region 6E lost about 900 workers. Despite the fluctuations, the region has essentially the same amount of workers now as it had in 2000, inching down from 64,782 workers in 2000 to 64,746 workers in 2014. The state was also gaining workers over the past decade and a half, but at a faster pace (see Figure 4). As the economy has recovered, the labor market in the region has been getting tighter, with about 2,900 unemployed workers actively seeking work in 2014.

Figure 4. Annual Labor Force Estimates, 2000-2014



### LABOR FORCE PROJECTIONS, 2015-2025

Despite the region's projected population growth, applying current labor force participation rates to future population projections by age group, as shown in Figure 3 above, would lead to more stability in workforce numbers in Region 6E over the next decade (see Table 3).

Though the size of the labor force is not expected to change, the age composition of the workforce will see a significant shift over time, with a steady gain in the number of workers aged 25 to 44 years and big gains in workers aged 65 years and over against huge declines in the number of workers aged 45 to 64 years. The region may lose about 3,100 workers in the 45 to 64 year old age group as the Baby Boom generation moves through the population pyramid. Region 6E is expected to see gains in the number of workers aged 16 to 24 years as well, and the 25 to 54 year old age group will still be the largest part of the labor force, accounting for 57.4 percent of the total (see Table 3). This will likely lead to a tight labor market in the future, with employers needing to respond to the changing labor force availability.

Table 3. Region 6E Labor Force Projections

	2015 Labor Force Projection	2025 Labor Force Projection	2015-2025 Change	
			Numeric	Percent
16 to 19 years	3,712	3,659	-53	-1.4%
20 to 24 years	5,930	6,571	+641	+10.8%
25 to 44 years	24,351	25,322	+971	+4.0%
45 to 54 years	14,184	12,037	-2,147	-15.1%
55 to 64 years	12,945	11,992	-953	-7.4%
65 to 74 years	3,145	4,506	+1,361	+43.3%
75 years & over	686	946	+260	+37.9%
<b>Total Labor Force</b>	<b>64,953</b>	<b>65,033</b>	<b>+80</b>	<b>+0.1%</b>

Source: [Minnesota State Demographic Center, 2009-2013 American Community Survey 5-Year Estimates](#)

### EMPLOYMENT CHARACTERISTICS, 2013

With 68.7 percent of people aged 16 years and over in the labor force, Region 6E had lower labor force participation rates than the state's 70.3 percent. However, the region had higher labor force participation rates than the state in every age group, but the overall rate was lower because a higher percentage of Region 6E's labor force was in older age groups (see Table 4).

In contrast, the region had lower participation rates than the state in most race groups; and also had large unemployment rate disparities for most minority groups. Region 6E had about 3,600 veterans and 3,250 workers with disabilities in the labor force. In sum, unemployment rates in the region were highest for young people, some minorities, workers with disabilities, and people with lower educational attainment.

**Table 4. Employment Characteristics, 2013**

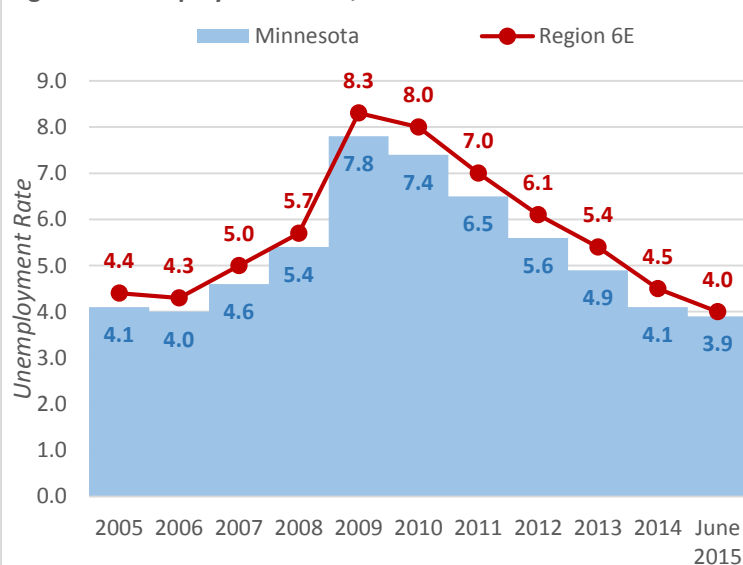
	Region 6E			Minnesota	
	In Labor Force	Labor Force Partic. Rate	Unemp. Rate	Labor Force Partic. Rate	Unemp. Rate
<b>Total Labor Force</b>	<b>63,359</b>	<b>68.7%</b>	<b>6.6%</b>	<b>70.3%</b>	<b>7.1%</b>
16 to 19 years	3,250	53.7%	15.1%	50.9%	20.2%
20 to 24 years	5,815	87.1%	12.0%	81.6%	11.2%
25 to 44 years	23,975	89.0%	6.6%	88.2%	6.3%
45 to 54 years	15,374	88.3%	5.1%	87.5%	5.6%
55 to 64 years	11,690	75.7%	4.5%	71.7%	5.5%
65 to 74 years	2,650	26.9%	4.3%	26.5%	4.5%
75 years & over	623	6.3%	1.9%	5.8%	4.6%
<b>Employment Characteristics by Race &amp; Hispanic Origin</b>					
White alone	60,745	68.6%	6.4%	70.5%	6.3%
Black or African American	792	76.5%	25.5%	67.6%	17.5%
American Indian & Alaska Native	145	50.9%	10.3%	60.1%	18.8%
Asian or Other Pac. Islanders	319	75.8%	4.4%	69.8%	8.5%
Some Other Race	971	71.8%	8.9%	77.6%	10.9%
Two or More Races	398	63.6%	5.0%	69.0%	14.4%
Hispanic or Latino	3,766	73.8%	13.3%	75.1%	10.4%
<b>Employment Characteristics by Veteran Status</b>					
Veterans, 18 to 64 years	3,595	79.1%	8.5%	77.8%	7.7%
<b>Employment Characteristics by Disability</b>					
With Any Disability	3,241	56.2%	12.6%	51.6%	14.6%
<b>Employment Characteristics by Educational Attainment</b>					
Population, 25 to 64 years	51,032	85.4%	5.7%	84.2%	5.9%
Less than H.S. Diploma	3,249	73.8%	12.7%	66.9%	14.6%
H.S. Diploma or Equivalent	15,557	83.3%	8.0%	79.4%	8.0%
Some College or Assoc. Degree	21,660	87.6%	4.5%	85.6%	6.1%
Bachelor's Degree or Higher	10,572	88.3%	2.6%	89.1%	3.4%

Source: [2009-2013 American Community Survey, 5-Year Estimates](#)

### UNEMPLOYMENT RATE, 2005-2015

Though slightly higher, Region 6E's unemployment rate has closely tracked the state rate over time, typically hovering within 0.5 percent of Minnesota's rate. According to DEED's [Local Area Unemployment Statistics](#), the region's unemployment rate rose as high as 8.3 percent in 2009, while the state rate climbed to 7.8 percent. Since then, the state and region's economies have recovered and unemployment rates are dropping back below prerecession levels, with Region 6E reporting 4.0 percent in June of 2015, which was nearly identical to the state rate (see Figure 5).

**Figure 5. Unemployment Rates, 2005-2015**



Source: DEED Local Area Unemployment Statistics (LAUS)



### COMMUTE SHED AND LABOR SHED, 2013

According to commuting data from the [Census Bureau](#), Region 6E is a net labor exporter, having more workers than available jobs. In sum, 34,585 workers both lived and worked in Region 6E in 2013, while 14,243 workers drove into the region from surrounding counties for work, compared to 23,022 workers who lived in the region but drove to surrounding counties for work (see Table 5 and Figure 6).

Home to Willmar, Kandiyohi County is the largest county and the largest employment center in the region and was the biggest draw for workers. On a smaller scale, Hutchinson in McLeod County, Litchfield in Meeker County, and Olivia in Renville County were also employment centers drawing workers. Employers in the region both lose and draw workers from nearby counties like Stearns, Wright, Chippewa, and Sibley, with the largest net outflow going to metropolitan areas including the Twin Cities and St. Cloud (see Table 6 and Figure 6).

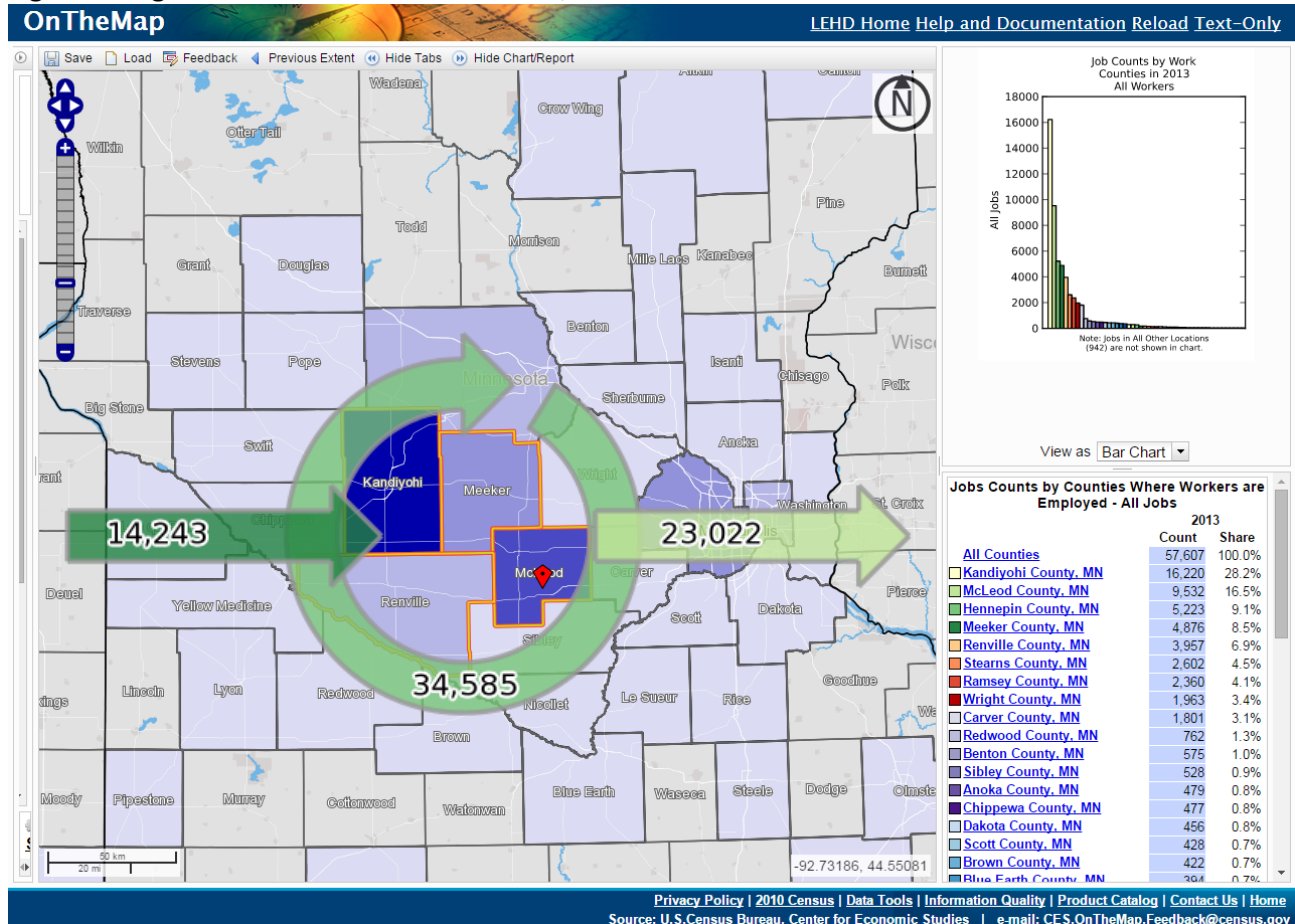
Table 5. Region 6E Inflow/Outflow Job Counts (All Jobs), 2013	2013	
	Count	Share
Employed in the Selection Area	48,828	100.0%
Employed in the Selection Area but Living Outside	14,243	29.2%
Employed and Living in the Selection Area	34,585	70.8%
Living in the Selection Area	57,607	100.0%
Living in the Selection Area but Employed Outside	23,022	40.0%
Living and Employed in the Selection Area	34,585	60.0%

Source: [U.S. Census Bureau, OnTheMap](#)

Table 6. Region 6E Commuting Patterns	
Counties outside the region that send the most workers into the region	Counties outside the region that the most workers from inside the region travel to
Stearns Co. MN	Hennepin Co. MN
Chippewa Co. MN	Stearns Co. MN
Sibley Co. MN	Ramsey Co. MN
Wright Co. MN	Wright Co. MN
Hennepin Co. MN	Carver Co. MN

Source: [U.S. Census Bureau, OnTheMap](#)

Figure 6. Region 6E Labor and Commute Shed, 2013



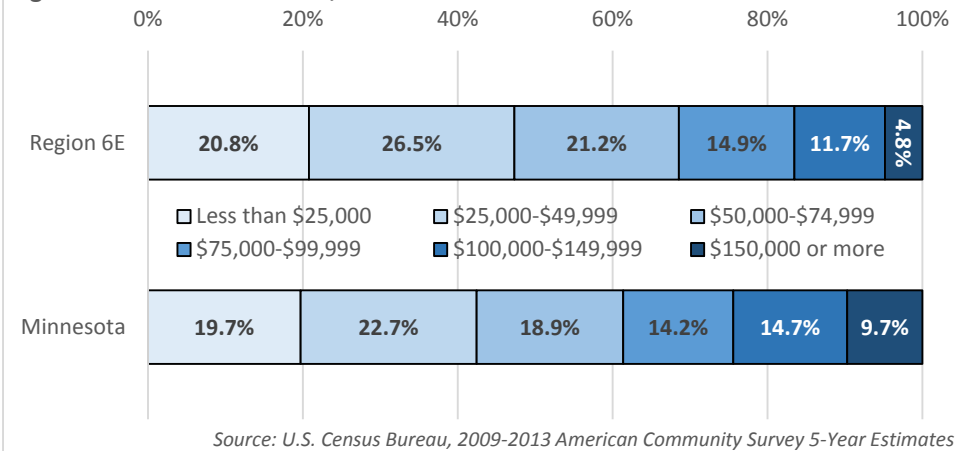
## INCOMES, WAGES AND OCCUPATIONS

### HOUSEHOLD INCOMES

Household incomes were slightly lower in Region 6E than the state, where the median household income in 2013 was \$59,836. In the region, median household incomes ranged from \$50,149 in Kandiyohi County to \$55,170 in McLeod County, which was the 18<sup>th</sup> highest in the state. Just under half (47.3%)

of the households in the region had incomes below \$50,000 in 2013, compared to 42.4 percent statewide. Another 36.1 percent of households earned between \$50,000 and \$100,000 in the region. In contrast, only 16.5 percent of households in Region 6E earned over \$100,000 per year, compared to 24.4 percent of households statewide (see Figure 7).

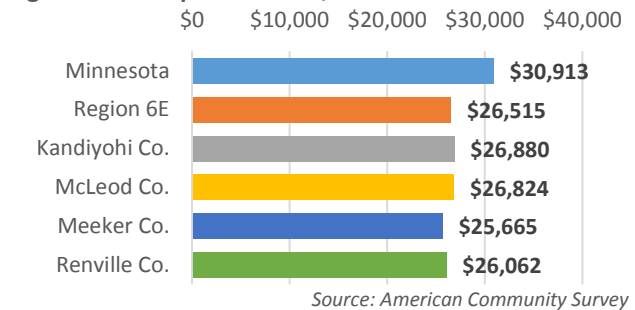
Figure 7. Household Incomes, 2013



### PER CAPITA INCOMES

Per capita incomes were also lower in Region 6E than the state, ranging from \$25,665 in Meeker County to \$26,880 in Kandiyohi County, compared to \$30,913 in Minnesota. At \$26,515, Region 6E had the fourth highest per capita income of the 13 EDRs in the state (see Figure 8).

Figure 8. Per Capita Incomes, 2013



### COST OF LIVING

According to DEED's [Cost of Living tool](#), the basic needs budget for an average Minnesota family (which consists of 2 adults and 1 child, with 1 full-time and 1 part-time worker) was \$50,988 in 2015. The cost of living for a similar family in Region 6E was \$43,728 – which was the seventh highest of the 13 EDRs in the state. The highest monthly costs were for transportation, food, and housing; but the cost of the region's housing, child care, and taxes were significantly lower than the state (see Table 7).

In order to meet the basic cost of living for the region, the workers in the family scenario listed above would need to earn \$14.02 per hour.

Table 7. Family Yearly Cost, Worker Hourly Wage, and Family Monthly Costs, 2015

Region	Family Yearly Cost of Living	Hourly Wage Required	Monthly Costs						
			Child Care	Food	Health Care	Housing	Transportation	Other	Taxes
Region 6E	\$43,728	\$14.02	\$234	\$761	\$400	\$690	\$1,055	\$203	\$301
Minnesota	\$50,988	\$16.34	\$443	\$772	\$405	\$907	\$1,039	\$235	\$448

Source: [DEED Cost of Living tool](#)

## WAGES AND OCCUPATIONS

According to DEED's [Occupational Employment Statistics](#) program, the median hourly wage for all occupations in Region 6E was \$16.42 in the first quarter of 2015, which was the sixth highest wage level of the 13 EDRs in the state. Region 6E's median wage was about \$2.20 below the state's median hourly wage, equaling 88 percent of the statewide wage rate, and over \$4.00 below the median hourly wage in the 7-County Twin Cities metro area, which would amount to nearly \$8,500 per year for a full-time worker. Region 6E had higher wages than surrounding regions like Region 8 at \$14.79, Region 6W at \$15.34, Region 4 at \$15.66, and Region 9 at \$15.99, but lower wages than Region 7W at \$16.80 (see Table 8).

Almost 16.4 percent of the jobs in Region 6E were production occupations, which was over twice as concentrated as in the state as a whole. Region 6E also had a higher share of workers in healthcare support; personal care and service; transportation and warehousing; installation, maintenance, and repair; and farming, fishing and forestry occupations (see Table 9).

<b>Table 8. Occupational Employment Statistics by Region, 1<sup>st</sup> Qtr. 2015</b>	Median Hourly Wage	Estimated Regional Employment
EDR 1 - Northwest	\$16.39	36,130
EDR 2 - Headwaters	\$15.77	27,330
EDR 3 - Arrowhead	\$16.58	141,800
EDR 4 - West Central	\$15.66	83,540
EDR 5 - North Central	\$14.37	56,050
<b>EDR 6E - Southwest Central</b>	<b>\$16.42</b>	<b>46,490</b>
EDR 6W - Upper MN Valley	\$15.34	18,380
EDR 7E - East Central	\$16.43	44,580
EDR 7W - Central	\$16.80	172,200
EDR 8 - Southwest	\$14.79	53,380
EDR 9 - South Central	\$15.99	105,260
EDR 10 - Southeast	\$17.74	253,990
EDR 11 - 7-County Twin Cities	\$20.49	1,691,650
<b>State of Minnesota</b>	<b>\$18.65</b>	<b>2,730,020</b>

Source: [DEED Occupational Employment Statistics](#).

<b>Table 9. Region 6E Occupational Employment Statistics, 1<sup>st</sup> Qtr. 2015</b>					<b>State of Minnesota</b>		
	Median Hourly Wage	Estimated Regional Employment	Share of Total Employment	Location Quotient	Median Hourly Wage	Estimated Regional Employment	Share of Total Employment
<b>Total, All Occupations</b>	<b>\$16.42</b>	<b>46,490</b>	<b>100.0%</b>	<b>1.0</b>	<b>\$18.65</b>	<b>2,730,020</b>	<b>100.0%</b>
Production	\$16.42	7,620	16.4%	2.1	\$16.61	217,830	8.0%
Office & Administrative Support	\$15.35	5,560	12.0%	0.8	\$17.27	409,100	15.0%
Sales & Related	\$12.84	4,820	10.4%	1.0	\$13.24	270,540	9.9%
Transportation & Material Moving	\$16.12	3,450	7.4%	1.2	\$16.18	167,130	6.1%
Personal Care & Service	\$10.76	3,270	7.0%	1.6	\$11.11	120,000	4.4%
Education, Training, & Library	\$18.85	2,830	6.1%	1.1	\$22.72	156,090	5.7%
Healthcare Support	\$11.44	2,700	5.8%	1.8	\$13.63	89,360	3.3%
Healthcare Practitioners & Technical	\$25.86	2,480	5.3%	0.9	\$31.54	160,390	5.9%
Food Preparation & Serving Related	\$9.13	2,010	4.3%	0.5	\$9.21	228,640	8.4%
Installation, Maintenance, & Repair	\$20.09	1,920	4.1%	1.2	\$21.52	94,310	3.5%
Management	\$38.40	1,840	4.0%	0.7	\$47.47	165,730	6.1%
Construction & Extraction	\$20.89	1,660	3.6%	1.1	\$24.88	91,240	3.3%
Business & Financial Operations	\$26.48	1,400	3.0%	0.5	\$30.37	159,970	5.9%
Building & Grounds Cleaning & Maint.	\$12.00	1,370	2.9%	1.0	\$12.03	81,560	3.0%
Architecture & Engineering	\$31.23	960	2.1%	1.1	\$34.76	50,980	1.9%
Community & Social Service	\$20.37	780	1.7%	0.9	\$20.51	49,210	1.8%
Protective Service	\$16.48	570	1.2%	0.8	\$19.43	43,660	1.6%
Computer & Mathematical	\$28.56	430	0.9%	0.3	\$37.96	91,560	3.4%
Arts, Design, Entertainment & Media	\$17.21	330	0.7%	0.5	\$21.82	36,430	1.3%
Life, Physical, & Social Science	\$28.79	180	0.4%	0.4	\$30.29	24,410	0.9%
Farming, Fishing, & Forestry	\$16.93	180	0.4%	3.0	\$14.41	3,570	0.1%
Legal	\$26.01	140	0.3%	0.4	\$38.48	18,330	0.7%

Source: [DEED Occupational Employment Statistics, Qtr. 1 2015](#)



Not surprisingly, the lowest-paying jobs are in food preparation and serving, personal care and service, healthcare support, building and grounds cleaning and maintenance, and sales and related jobs, which tend to have lower educational and training requirements. For the most part, the gap in pay between Region 6E and the state is also lower in these jobs. In contrast, the highest paying jobs are found in management, architecture and engineering, life, physical, and social science, computer, business and financial operations, legal, and healthcare practitioners, which all need higher levels of education and experience. The pay gaps between the region and state are much bigger in these occupations.

### JOB VACANCY SURVEY

Employers in Region 6E reported 2,629 job vacancies in the second quarter of 2015, the highest number ever recorded. Job vacancies in the region increased 29.6 percent from the previous year, and 400 percent from the recession low point in 2010. Overall, almost 60 percent of the openings were part-time, and only about one-fifth required postsecondary education or 1 or more years of experience. The median hourly wage offer for all occupations was \$9.93, ranging from under \$9.00 for food prep, protective service, sales and related, and healthcare support jobs to \$28.59 for architecture and engineering jobs (see Table 10).

	Number of Total Vacancies	Percent Part-time	Requiring Post-Secondary Education	Requiring 1 or More Years of Experience	Requiring Certificate or License	Median Hourly Wage Offer
<b>Total, All Occupations</b>	<b>2,629</b>	<b>58%</b>	<b>22%</b>	<b>19%</b>	<b>37%</b>	<b>\$9.93</b>
Food Preparation & Serving Related	856	94%	4%	1%	1%	\$8.00
Protective Service	251	96%	1%	1%	54%	\$8.25
Transportation & Material Moving	235	8%	0%	52%	63%	\$12.64
Education, Training, & Library	182	13%	70%	37%	53%	\$14.27
Personal Care & Service	156	60%	44%	7%	43%	\$8.76
Installation, Maintenance, & Repair	142	18%	23%	23%	88%	\$13.98
Sales & Related	134	58%	4%	18%	22%	\$8.98
Office & Administrative Support	121	28%	43%	21%	47%	\$11.00
Healthcare Practitioners & Technical	113	31%	82%	56%	92%	\$23.97
Healthcare Support	113	93%	40%	30%	46%	\$11.31
Building, Grounds Cleaning & Maint.	86	46%	0%	11%	65%	\$10.59
Community & Social Service	62	20%	73%	48%	65%	\$14.24
Production	44	0%	9%	33%	2%	\$12.85
Farming, Fishing, & Forestry	35	23%	3%	3%	6%	\$13.09
Architecture & Engineering	25	0%	100%	88%	82%	\$28.59
Business & Financial Operations	20	6%	92%	52%	12%	\$19.97
Arts, Design, Entertainment & Media	20	36%	27%	95%	6%	\$14.29
Management	19	0%	64%	64%	48%	\$24.22
Life, Physical, & Social Science	12	N/A	N/A	N/A	N/A	\$19.85

Source: [DEED Job Vacancy Survey, Qtr. 2 2015](#)

### OCCUPATIONS IN DEMAND

According to DEED's [Occupations in Demand](#) tool, there are 208 occupations showing relatively high demand in the region, with training and education requirements ranging from short-term on-the-job training to postsecondary education to advanced degrees. Many of the occupations in demand in the region require a high school diploma or less. These occupations are spread across different sectors but are also concentrated in the region's major industries. For example, personal care aides and home health aides, janitors and cleaners, retail sales workers, nurses, mechanics and truck drivers, welders, and healthcare practitioners are all occupations in demand based on the consistent need for these workers (see Table 11).

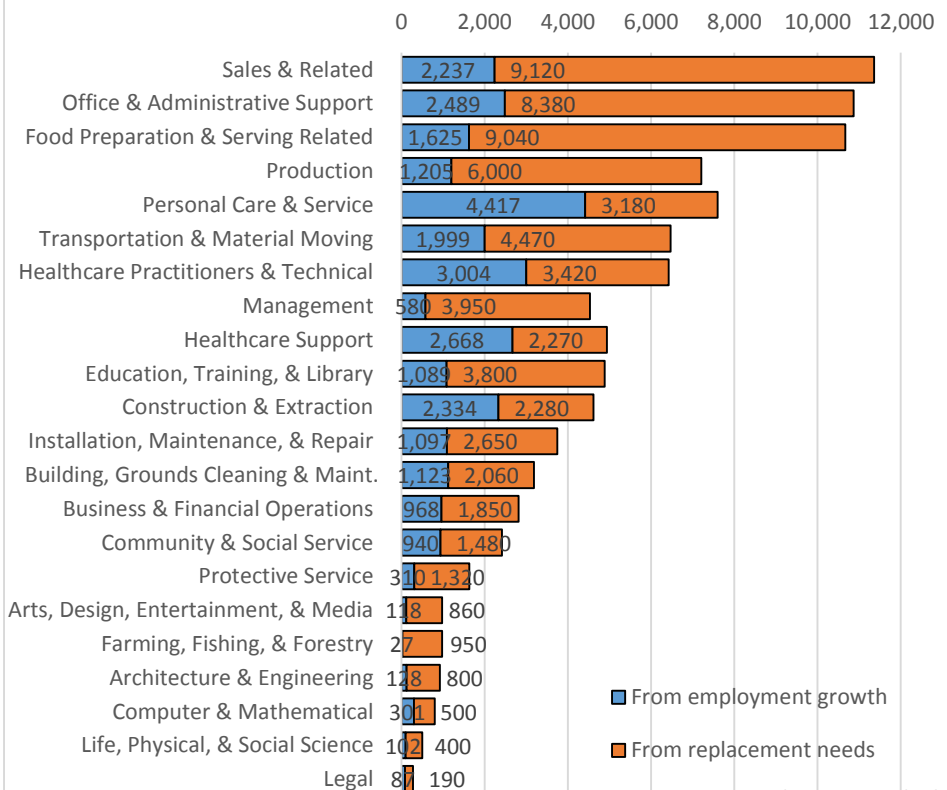
Table 11. Region 6E Occupations in Demand by Education Level, 2014			
Less than High School	High School or Equivalent	Some College or Assoc. Degree	Bachelor's Degree or Higher
Slaughterers & Meat Packers (\$27,909)	Customer Service Representatives (\$28,240)	Nursing Assistants (\$23,803)	Family & General Practitioners (\$192,479)
Personal Care Aides (\$22,141)	Welders, Cutters, Solderers, & Brazers (\$38,523)	Heavy & Tractor-Trailer Truck Drivers (\$40,403)	Industrial Engineers (\$93,608)
Combined Food Preparation & Serving Workers (\$18,238)	Carpenters (\$41,861)	Registered Nurses (\$59,200)	Physicians & Surgeons, All Other (\$205,000)
Stock Clerks & Order Fillers (\$22,178)	Truck Mechanics & Diesel Engine Specialists (\$37,256)	Licensed Practical & Licensed Vocational Nurses (\$39,051)	Network & Computer Systems Admins. (\$60,369)
Cashiers (\$19,140)	Farm Equipment Mechanics & Service Technicians (\$39,185)	Hairdressers, Hairstylists, & Cosmetologists (\$22,605)	Sales Representatives, Wholesale & Mfg. (\$87,214)
Home Health Aides (\$22,922)	Social & Human Service Assistants (\$36,517)	Radiologic Technologists (\$57,149)	Medical & Health Services Managers (\$73,953)
Retail Salespersons (\$21,356)	Secretaries & Administrative Assistants (\$33,477)	First-Line Supervisors of Production Workers (\$51,935)	Human Resources Managers (\$73,980)
Janitors & Cleaners (\$26,754)	Bookkeeping, Accounting, & Auditing Clerks (\$35,376)	Computer User Support Specialists (\$41,830)	Accountants & Auditors (\$57,341)
Laundry & Dry-Cleaning Workers (\$23,275)	Tellers (\$24,717)	Medical Assistants (\$30,593)	Administrative Services Managers (\$69,656)
Laborers & Freight, Stock, & Material Movers (\$25,745)	Maintenance & Repair Workers, General (\$41,754)	Industrial Engineering Technicians (\$47,560)	Market Research Analysts & Specialists (\$56,787)

Source: [DEED Occupations in Demand](#)

## EMPLOYMENT PROJECTIONS

Region 6E is a part of the larger 13-county Central Minnesota Planning area, along with Region 7E and Region 7W. Central Minnesota is projected to remain the fastest growing part of the state, expanding 9.8 percent from 2012 to 2022, a gain of 28,848 new jobs. In addition, the region is also expected to need 68,960 replacement openings to fill jobs left vacant by retirements and other career changers. In fact, the number of replacement openings is expected to dwarf the number of new jobs in every group except for personal care and service occupations, construction and extraction workers; and healthcare support and practitioner jobs (see Figure 9).

Figure 9. Central Minnesota Employment Projections, 2012-2022



Source: DEED 2012-2022 Employment Outlook

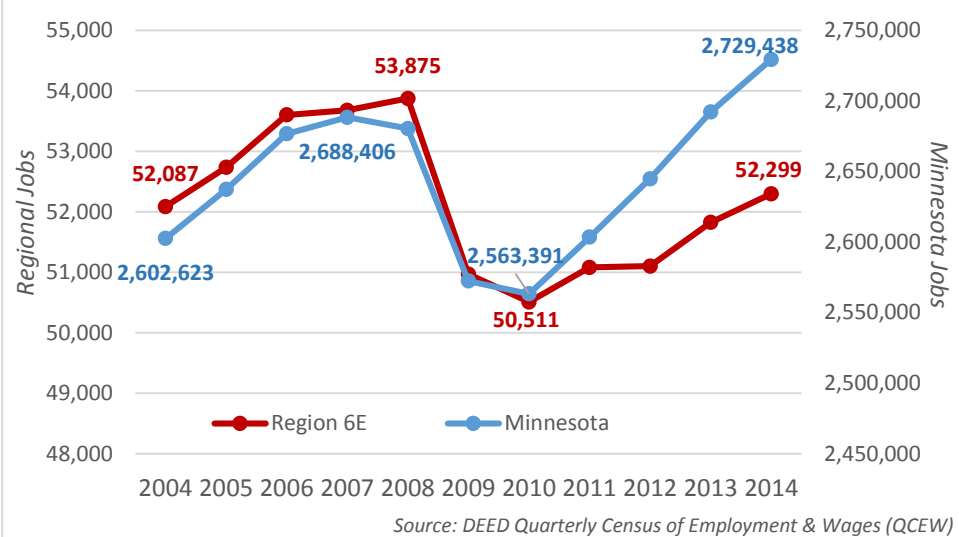
## ECONOMY

### INDUSTRY EMPLOYMENT

Region 6E has seen employment ups and downs over the past decade, but ended 2014 with 212 more jobs than it had in 2004. The region entered the recession later than the state, experiencing job growth through 2008, then suffering severe declines in 2009 and 2010. Since then, Region 6E has seen a steady but slower recovery than the rest of the state, which gained jobs at a 6.5

percent clip from 2010 to 2014, compared to a 3.5 percent increase in the region. Region 6E still has not regained all of the jobs lost during the recession, while the state reached breakeven in 2013 (see Figure 10).

Figure 10. Industry Employment Change, 2004-2014



According to DEED's [Quarterly Census of Employment & Wages \(QCEW\) program](#), Region 6E was home to 3,487 business establishments providing 52,299 covered jobs through 2014, with a total payroll of just under \$2.0 billion. That was about 1.9 percent of total employment in the state of Minnesota, making it the fifth smallest of the 13 EDRs in the state. Average annual wages were \$37,076 in the region, which was about \$14,500 lower than the state's average annual wage, and the seventh highest of the 13 EDRs.

Home to Willmar, Kandiyohi County is the largest employment center in the region, with 22,825 jobs at 1,346 firms; accounting for almost 45 percent of the region's jobs. Anchored by Hutchinson, McLeod County was the next largest, with 16,753 jobs at 982 firms, followed by Meeker County with 586 firms and 6,978 jobs, and Renville County with 574 firms and 5,743 jobs. As shown above, the region recovered more slowly than the state over the past five years; with Kandiyohi County seeing the biggest rise in jobs, but Meeker County seeing the fastest increase. In contrast, Renville County employers added just 24 jobs over the past five years, thanks to an increase of 30 net new jobs in the past year. McLeod County saw a small job decline since 2013, while Kandiyohi and Meeker County both enjoyed strong growth from 2013 to 2014 (see Table 12).

Table 12. Region 6E Industry Employment Statistics, 2014				Average Annual Wage	2010-2014		2013-2014	
Geography	Number of Firms	Number of Jobs	Total Payroll		Change in Jobs	Percent Change	Change in Jobs	Percent Change
<b>Region 6E</b>	<b>3,487</b>	<b>52,299</b>	<b>\$1,939,218,681</b>	<b>\$37,076</b>	<b>+1,788</b>	<b>+3.5%</b>	<b>+475</b>	<b>+0.9%</b>
Kandiyohi Co.	1,346	22,825	\$801,504,105	\$35,100	+709	+3.2%	+309	+1.4%
McLeod Co.	982	16,753	\$684,575,174	\$40,820	+549	+3.4%	-78	-0.5%
Meeker Co.	586	6,978	\$237,784,688	\$34,060	+508	+7.9%	+215	+3.2%
Renville Co.	574	5,743	\$215,354,714	\$37,440	+24	+0.4%	+30	+0.5%
<b>State of Minnesota</b>	<b>164,409</b>	<b>2,729,438</b>	<b>\$140,857,248,755</b>	<b>\$51,584</b>	<b>+166,047</b>	<b>+6.5%</b>	<b>+37,321</b>	<b>+1.4%</b>

Source: [DEED Quarterly Census of Employment & Wages \(QCEW\)](#)

With 10,930 jobs at 231 firms, manufacturing is the largest employing industry in Region 6E, accounting for 20.9 percent of total jobs in the region. That is almost 10 percent higher than the state's concentration of employment in manufacturing. In addition, Region 6E is still adding manufacturing jobs, gaining 740 jobs since 2010, a 7.3 percent increase. At \$52,000 in 2014, average annual wages were nearly \$15,000 higher in manufacturing than all industries. The largest sector was food manufacturing, with 3,388 jobs, followed by fabricated metal product, machinery, and computer and electronic product manufacturing.

The next largest industry in Region 6E was health care and social assistance, with 10,630 jobs at 323 firms, after gaining 179 net new jobs from 2010 to 2014. Due to the region's older population, the largest sector was nursing and residential care facilities with 3,837 jobs, followed by ambulatory health care services, hospitals, and social assistance.

Retail trade is the third largest industry, with 6,270 jobs at 495 establishments. The related accommodation and food services industry provides 3,255 jobs at 206 firms. Though the region has seen job gains in both of these industries over the past five years, wages are relatively low.

With 2,073 jobs at 196 firms, Region 6E has a uniquely high concentration of jobs in agriculture, which grew 7.4 percent from 2010 to 2014, despite jobs losses in the last year.

Other important industries in Region 6E include educational services, public administration, construction, wholesale trade, transportation and warehousing, other services, professional and technical services, finance and insurance, and administrative support and waste management services. Thirteen of the 20 main industries in the region added jobs since 2010, with gains spread across manufacturing, retail trade, accommodation and food services, educational services, and health care (see Table 13).

NAICS Industry Title	2014 Annual Data				Avg. Annual Wage	2010-2014		2013-2014	
	Number of Firms	Number of Jobs	Percent of Jobs	Total Payroll		Change in Jobs	Percent Change	Change in Jobs	Percent Change
<b>Total, All Industries</b>	<b>3,487</b>	<b>52,299</b>	<b>100.0%</b>	<b>\$1,939,218,681</b>	<b>\$37,076</b>	<b>+1,788</b>	<b>+3.5%</b>	<b>+475</b>	<b>+0.9%</b>
Manufacturing	231	10,930	20.9%	\$568,695,531	\$52,000	+740	+7.3%	+351	+3.3%
Health Care & Social Assistance	323	10,630	20.3%	\$349,290,101	\$32,812	+179	+1.7%	+50	+0.5%
Retail Trade	495	6,270	12.0%	\$141,187,202	\$22,516	+201	+3.3%	-117	-1.8%
Educational Services	57	3,422	6.5%	\$127,531,169	\$37,388	+189	+5.8%	+106	+3.2%
Accommodation & Food Services	206	3,255	6.2%	\$40,116,887	\$12,324	+201	+6.6%	+47	+1.5%
Public Administration	106	2,460	4.7%	\$100,352,745	\$40,820	+57	+2.4%	+72	+3.0%
Construction	453	2,343	4.5%	\$111,837,367	\$47,216	+89	+3.9%	+96	+4.3%
Wholesale Trade	163	2,171	4.2%	\$116,068,125	\$53,456	+126	+6.2%	-59	-2.6%
Agriculture, Forestry, Fish & Hunt	196	2,073	4.0%	\$70,663,183	\$34,008	+143	+7.4%	-91	-4.2%
Transportation & Warehousing	231	1,754	3.4%	\$64,710,493	\$36,868	-2	-0.1%	-11	-0.6%
Other Services	285	1,475	2.8%	\$30,207,489	\$20,436	-29	-1.9%	+26	+1.8%
Professional & Technical Services	189	1,232	2.4%	\$56,834,170	\$46,124	+49	+4.1%	+5	+0.4%
Finance & Insurance	193	1,214	2.3%	\$63,683,246	\$52,468	-86	-6.6%	-34	-2.7%
Admin. Support & Waste Mgmt.	129	1,117	2.1%	\$28,574,776	\$25,480	+7	+0.6%	+35	+3.2%
Information	57	619	1.2%	\$16,963,182	\$27,404	N/A	N/A	-23	-3.6%
Arts, Entertainment & Recreation	54	466	0.9%	\$6,875,627	\$14,872	-12	-2.5%	+11	+2.4%
Management of Companies	14	291	0.6%	\$16,873,056	\$57,928	+35	+13.7%	+36	+14.1%
Utilities	12	272	0.5%	\$19,651,329	\$72,332	-5	-1.8%	-1	-0.4%
Real Estate & Rental & Leasing	90	267	0.5%	\$7,465,323	\$27,924	-39	-12.7%	-22	-7.6%
Mining	7	35	0.1%	\$1,637,680	\$44,772	+4	+12.9%	-1	-2.8%

Source: [DEED Quarterly Census of Employment & Wages \(QCEW\)](#)

## DISTINGUISHING INDUSTRIES

Region 6E stands out in the state for its higher share of employment in manufacturing and agriculture, but also has strengths in nursing and residential care facilities, junior colleges, truck transportation, nonstore retailers, and heavy and civil engineering construction. Region 6E has 1.9 percent of total statewide jobs, but has over 14.5 percent of the state's jobs in animal production, about 7.4 percent of food manufacturing jobs, and 6.5 percent of the state's jobs in crop production. Region 6E also has high location quotients in machinery manufacturing and fabricated metal product manufacturing (see Table 14).

NAICS Industry Title	NAICS Code	Number of Firms	Number of Jobs	Total Payroll	Avg. Annual Wages	Location Quotient
<b>Total, All Industries</b>	<b>0</b>	<b>3,487</b>	<b>52,299</b>	<b>\$1,939,218,681</b>	<b>\$37,076</b>	<b>1.0</b>
Animal Production and Aquaculture	112	69	1,533	\$51,240,167	\$33,436	7.6
Food Manufacturing	311	29	3,388	\$153,822,406	\$45,344	3.9
Crop Production	111	96	437	\$15,923,824	\$36,244	3.4
Machinery Manufacturing	333	41	1,318	\$69,431,020	\$52,676	2.1
Fabricated Metal Product Manufacturing	332	46	1,633	\$81,622,126	\$49,972	2.0
Junior Colleges	6112	2	350	\$17,535,073	\$50,076	1.9
Truck Transportation	484	150	889	\$35,517,078	\$39,884	1.8
Nursing and Residential Care Facilities	623	79	3,832	\$81,886,846	\$21,320	1.8
Nonstore Retailers	454	24	358	\$10,762,703	\$30,056	1.7
Heavy and Civil Engineering Construction	237	46	650	\$41,570,229	\$62,452	1.5

Source: [DEED Quarterly Census of Employment & Wages \(QCEW\)](#)

## INDUSTRY PROJECTIONS

As noted above, Region 6E is part of the 13-county Central Minnesota Planning Region, which is projected to lead the state with 9.8 percent job growth from 2012 to 2022, a gain of 28,848 new jobs.

The largest and fastest growing industry is expected to be health care and social assistance, which may account for over 40 percent of total projected growth in the region from 2012 to 2022. The region is also expected to see significant employment growth in construction, professional and technical services, administrative support and waste management services – which includes temporary staffing agencies, retail trade, wholesale trade, and accommodation and food services. In contrast, the region is expected to see declines only in information (see Table 15).

Industry	Estimated Employment 2012	Projected Employment 2022	Percent Change 2012-2022	Numeric Change 2012-2022
<b>Total, All Industries</b>	<b>294,407</b>	<b>323,255</b>	<b>+9.8%</b>	<b>+28,848</b>
Health Care & Social Assistance	41,963	53,847	+28.3%	+11,884
Manufacturing	38,994	40,126	+2.9%	+1,132
Retail Trade	34,167	37,510	+9.8%	+3,343
Accommodation & Food Services	20,475	21,678	+5.9%	+1,203
Construction	13,987	16,879	+20.7%	+2,892
Other Services	12,001	12,809	+6.7%	+808
Admin. Support & Waste Mgmt.	10,500	12,219	+16.4%	+1,719
Wholesale Trade	10,123	10,801	+6.7%	+678
Transportation & Warehousing	7,851	8,710	+10.9%	+859
Finance & Insurance	7,036	7,731	+9.9%	+695
Professional & Technical Services	5,957	6,905	+15.9%	+948
Arts, Entertainment & Recreation	5,861	6,394	+9.1%	+533
Ag., Forestry, Fishing & Hunting	4,921	5,113	+3.9%	+192
Information	3,160	3,012	-4.7%	-148
Educational Services	2,629	2,865	+9.0%	+236
Utilities	2,446	2,455	+0.4%	+9
Real Estate, Rental & Leasing	2,028	2,247	+10.8%	+219
Management of Companies	1,387	1,458	+5.1%	+71
Mining	268	269	+0.4%	+1

Source: [DEED 2012-2022 Employment Outlook](#)



### EMPLOYERS BY SIZE CLASS

The vast majority of businesses in Region 6E are small businesses, with 53.2 percent of businesses reporting 1 to 4 employees in 2013, according to County Business Patterns from the U.S. Census Bureau. Another 33.7 percent had between 5 and 19 employees; and 11.3 percent had between 20 and 99 employees. Only 1.6 percent had 100 to 499 employees, compared to 2.4 percent of businesses in the state. Just 6 businesses in the region had more than 500 employees, which is the Small Business Administration's official cut off for a "small business". Obviously then, small businesses are vital to the region's economy (see Table 16).

Table 16. Employers by Size Class, 2013			
	Region 6E		Minnesota
Number of Employees	Number of Firms	Percent of Firms	Percent of Firms
1-4	1,812	53.2%	54.2%
5-9	726	21.3%	17.7%
10-19	424	12.4%	13.4%
20-49	291	8.5%	8.9%
50-99	96	2.8%	3.2%
100-249	43	1.3%	1.9%
250-499	10	0.3%	0.5%
500-999	4	0.1%	0.2%
1,000 or more	2	0.1%	0.1%
<b>Total Firms</b>	<b>3,408</b>	<b>100.0%</b>	<b>100.0%</b>

Source: [U.S. Census, County Business Patterns](#)

### NONEMPLOYER ESTABLISHMENTS

Before growing, the basic building block of most small businesses is a self-employed business. Region 6E was home to 8,340 self-employed businesses or "nonemployers" in 2013, which are defined by the U.S. Census Bureau as "businesses without paid employees that are subject to federal income tax, originating from tax return information of the Internal Revenue Service (IRS)." Like covered employment, Region 6E saw a slow but steady increase in nonemployers over the past decade, responding to economic changes. In sum, the region added 282 new nonemployers from 2003 to 2013, a 3.5 percent increase. The largest amount of nonemployers and the fastest growth occurred in Kandiyohi County, while McLeod County saw a decline in self-employment. These nonemployers generated sales receipts of \$354 million in 2013 (see Table 17).

Table 17. Nonemployer Statistics, 2013				
	2013		2003-2013	
	Number of Firms	Receipts (\$1,000s)	Change in Firms	Percent Change
<b>Region 6E</b>	<b>8,340</b>	<b>\$353,771</b>	<b>+282</b>	<b>+3.5%</b>
Kandiyohi Co.	3,108	\$133,064	+246	+8.6%
McLeod Co.	2,391	\$103,988	-45	-1.8%
Meeker Co.	1,751	\$66,589	+68	+4.0%
Renville Co.	1,090	\$50,130	+13	+1.2%
<b>State of Minnesota</b>	<b>388,900</b>	<b>\$17,268,230</b>	<b>+40,173</b>	<b>+11.5%</b>

Source: [U.S. Census, Nonemployer Statistics program](#)

### CENSUS OF AGRICULTURE

Finally, one of the most important industries in Region 6E is agriculture, with 4,484 farms producing more than \$1.7 billion in the market value of products sold in 2012, according to the U.S. Department of Agriculture. Region 6E had 6.0 percent of the state's farms, and 8.1 percent of the state's total market value, led by Renville County, which ranked second in the state for the market value of products sold, and Kandiyohi County, which ranked eighth. Meeker and McLeod ranked 35<sup>th</sup> and 46<sup>th</sup>, respectively. Despite seeing a small decline in the number of farms, the region saw a 63.5 percent increase in the market value of products sold from 2007 to 2012 as many farms got bigger and commodity prices went up (see Table 18).

Table 18. Census of Agriculture, 2012			State Rank	Change in Market Value, 2007-2012
	Number of Farms	Market Value of Products Sold		
<b>Region 6E</b>	<b>4,484</b>	<b>\$1,732,006,000</b>		<b>+63.5%</b>
Kandiyohi Co.	1,310	\$495,390,000	8	+60.3%
McLeod Co.	966	\$234,534,000	46	+87.0%
Meeker Co.	1,147	\$291,736,000	35	+43.0%
Renville Co.	1,061	\$710,346,000	2	+68.9%
<b>State of Minnesota</b>	<b>74,542</b>	<b>\$21,280,184,000</b>		<b>+61.5%</b>

Source: [2012 Census of Agriculture](#)